

IN THE UNITED STATES BANKRUPTCY COURT

FOR THE DISTRICT OF DELAWARE

IN RE:	x	Chapter 11
	:	
W. R. GRACE & CO., et al.,	:	Case No. 01-1139 (JKF)
	:	(Jointly Administered)
Debtors.	:	
	x	Re: Docket No. 24096

**AMENDED STIPULATION CONCERNING KANEB PIPE LINE OPERATING  
PARTNERSHIP, L.P. AND SUPPORT TERMINAL SERVICES, INC.'S OBJECTIONS  
TO CONFIRMATION OF PLAN OF REORGANIZATION**

This Stipulation is between NuStar Pipeline Operating Partnership L.P., NuStar Terminal Services, Inc. [collectively, “**NuStar**”]<sup>1</sup> on the one hand, and the Debtors,<sup>2</sup> the Official Committee of Asbestos Personal Injury Claimants, the Asbestos P.I. Future Claimants’ Representative, and the Official Committee of Equity Security Holders on the other hand [collectively, the “**Plan Proponents**”]. Together, NuStar and the Plan Proponents shall be called the “**Parties**.”

**I.  
DEFINITIONS**

The “**Joint Plan**” shall mean the “First Amended Joint Plan of Reorganization under Chapter 11 of the Bankruptcy Code of W.R. Grace & Co. et.al., the Official Committee of Asbestos Personal Injury Claimants, the Asbestos P.I. Future Claimants’ Representative, and the Official Committee of Equity Security Holders Dated as of February 27, 2009” [Dkt. 20872] as it

<sup>1</sup> Effective March 31, 2008, Kaneb Pipe Line Operating Partnership, L.P. changed its name to NuStar Pipeline Operating Partnership L.P and Support Terminal Services, Inc. changed its name to NuStar Terminal Services, Inc. NuStar has appeared in the above-captioned bankruptcy case under its previous names, Kaneb Pipe Line Operating Partnership, L.P. and Support Terminal Services, Inc.

<sup>2</sup> The Debtors are the 62 entities that are the subject of the above captioned jointly administered bankruptcy case.

has been or may be modified or amended. Unless stated otherwise, all capitalized terms herein shall have the meaning ascribed to them in the Joint Plan.

## II. STIPULATIONS

NuStar, on behalf of Kaneb Pipe Line Operating Partnership, L.P. and Support Terminal Services, Inc. agrees to withdraw its objections to confirmation of the Joint Plan, conditioned on the following language (or substantially similar language) appearing in any order confirming the Joint Plan under 11 U.S.C. § 1129:

Neither the Successor Claims Injunction nor the Asbestos Insurance Entity Injunction nor any other provision in the Joint Plan bars Kaneb Pipe Line Operating Partnership, L.P. (now known as NuStar Pipeline Operating Partnership L.P) or Support Terminal Services, Inc. (now known as NuStar Terminal Services, Inc.) [collectively, “**Kaneb**”] from pursuing claims against any Asbestos Insurance Entities pursuant to the premises/operations coverage of the Asbestos Insurance Policies issued by Settled Asbestos Insurance Companies listed on Exhibit 5 of the Exhibit Book of the Joint Plan with respect to alleged liability of Kaneb in connection with claims that are not Asbestos PI Claims or Asbestos PD Claims as those terms are defined in the Joint Plan, to the extent that Kaneb owns property rights in such Asbestos Insurance Policies. For avoidance of doubt: (A) nothing in the Joint Plan or in sub-clause (B) of this paragraph shall permit Kaneb to pursue Asbestos Claims as that term is defined in the Joint Plan, and (B) the environmental claims asserted by Kaneb against certain Asbestos Insurance Entities with respect to the Otis Pipeline site (relating to alleged jet fuel releases from the pipeline which previously served Otis Air Force Base on the Massachusetts Military Reservation in Sandwich, MA but not relating to asbestos, as described in the Motion for Relief From Stay at Dkt. 20538 and Exhibit OS-40) and the Macon Pipeline site (relating to alleged jet fuel releases from the pipeline in Macon, GA serving Warner Robins Air Force Base but not relating to asbestos, as described in the Motion for Relief from Stay at Dkt. 20846 and Exhibit OS-41) are recognized not to be enjoined by either the Asbestos PI Channeling Injunction or the Asbestos PD Channeling Injunction; provided, however, that the SA Debtors and Reorganized Debtors shall, at their sole expense, jointly and severally defend, indemnify, and hold harmless the Sealed Air Indemnified Parties or the Fresenius Indemnified Parties from and against any and all SA Claims, SA Debts, and SA Damages that may be asserted against such parties relating (whether directly or indirectly, in whole or in part) to the claims described in sub-clause (B).

Dated: February 11, 2010

Respectfully submitted,

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